

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency and Probation Department	(2) MEETING DATE 5/6/2014	(3) CONTACT/PHONE Janette Pell, General Services Agency, Director, 781-5200 James Salio, Chief Probation Officer, 781-5300	
(4) SUBJECT Request to receive and file the project update; adopt contract documents (Clerk's File); advertise for construction bids contingent on State notification to proceed to bid, set the bid opening date for Thursday, June 5, 2014; authorize the General Services Agency Director to adjust the bid date as necessary; and approve the incorporation of specifications for materials, products and control systems for the Juvenile Hall Expansion project located at 1065 Kansas Avenue, San Luis Obispo, CA. District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Receive and file project update; 2. Adopt the Contract Documents (Clerk's File) and authorize the County Clerk to advertise for construction bids for the Juvenile Hall Expansion, contingent on State notification to proceed to bid; 3. Instruct the County Clerk to give Notice to Bidders, and call for sealed bids no later than 3:00 PM on June 5, 2014; 4. Authorize the General Services Agency Director to adjust the bid date contingent on State notification to proceed to bid and consistent with the noticing requirements as set forth in Public Contract Code, Section 22037; 5. Make the findings that particular materials, products and control systems that are components of the proposed construction of the Juvenile Hall Expansion are to be designated by specific brand names or trade names to match other materials, products and control systems in use in other facilities within the County, as authorized by the Public Contract Code, Section 3400(c)(2); and 6. Direct staff to set forth the brand name findings in the Invitation to Bidders, and incorporate the requirements for the particular material, products and control systems into the bid documents. 			
(6) FUNDING SOURCE(S) \$13.12 M SB81 Funding \$3.5 M General Government Building Replacement Reserves – Juvenile Hall Bldg. Designation \$0.4M Facilities Planning Designation \$1.38 M In-kind match	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Partially budgeted
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. 30 minutes)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY Date: 10/14/08, 12/06/08, 6/02/09, 9/21/10, 2/07/12, 4/02/13, 4/23/13, 6/04/13, 9/17/13, 10/22/13, 3/18/14	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) District 2 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Janette Pell/ General Services Agency Director, 781-5200
James Salio/ Chief Probation Officer, 781-5300

DATE: 5/6/2014

SUBJECT: Request to receive and file the project update; adopt contract documents (Clerk's File); advertise for construction bids contingent on State notification to proceed to bid, set the bid opening date for Thursday, June 5, 2014; authorize the General Services Agency Director to adjust the bid date as necessary; and approve the incorporation of specifications for materials, products and control systems for the Juvenile Hall Expansion project located at 1065 Kansas Avenue, San Luis Obispo, CA. District 2.

RECOMMENDATION

It is recommended that the Board:

1. Receive and file project update;
2. Adopt the Contract Documents (Clerk's File) and authorize the County Clerk to advertise for construction bids for the Juvenile Hall Expansion, contingent on State notification to proceed to bid;
3. Instruct the County Clerk to give Notice to Bidders, and call for sealed bids no later than 3:00 PM on June 5, 2014;
4. Authorize the General Services Agency Director to adjust the bid date contingent on State notification to proceed to bid and consistent with the noticing requirements as set forth in Public Contract Code, Section 22037;
5. Make the findings that particular materials, products and control systems that are components of the proposed construction of the Juvenile Hall Expansion are to be designated by specific brand names or trade names to match other materials, products and control systems in use in other facilities within the County, as authorized by the Public Contract Code, Section 3400(c)(2); and
6. Direct staff to set forth the brand name findings in the Invitation to Bidders, and incorporate the requirements for the particular material, products and control systems into the bid documents.

DISCUSSION

The purpose of this report is to (1) provide an update on the status of the Juvenile Hall Expansion (JHE) project, and (2) request authorization to issue bid documents for the construction of the JHE project, contingent on notification to proceed to bid from the State Department of Finance.

In summary, the project is ready to move forward to the bidding phase for the construction of the facilities. It is recommended that the Board receive the report, and authorize bidding for construction of a new housing unit, classrooms, staff offices, multipurpose building, and outdoor structures and improvements for the Juvenile Hall complex located at 1065 Kansas Avenue.

Background

The Juvenile Hall Expansion project is intended to expand the services and treatment programs available in the County for Juveniles. The formal development of this project began in 2007 with the facility needs assessment and master plan.

In 2009, the County successfully obtained \$13,120,983 in State funding made available by the 2007 Local Youth Offender Rehabilitative Facility Construction Funding Program (SB 81).

The award of SB81 funding in the amount of \$13,120,983, funds 75% of the original project estimate as detailed in the application for the State funds. The funds reimburse the County for construction expenses only. Expenses related to project administration, design, permits and construction management count toward the County's obligatory 25% minimum contribution of matching funds, but are not eligible to be directly funded with SB 81 funds.

The attached project chronology (Attachment A) provides details of Board of Supervisors' actions related to the project to date.

Project Status

At the Board meeting on March 18, 2014, staff provided an update of the JHE status including a forecast of estimated costs and project schedule. The project cost estimates and schedule have not changed since the last update, and revised project costs will be identified after bids are received. The project remains on schedule with a Notice to Proceed expected to be issued sometime in September 2014.

The following major tasks were completed since the last update in March, 2014:

- Obtained the final plans and specifications for bid from Architect/Engineer, Ravatt Albrecht and Associates.
- Submitted construction plans, specifications, and updated project documents to the State for approval to bid.
- Initiated pre-bid work with the Construction Management firm, Kitchell.
- Acquired PG&E permit.
- Invitation for pre-solicitation published on Public Purchase website for pre-bid information.

The following are upcoming major tasks:

- May 6, 2014 (today): Obtain Board approval for authorization to bid and release bid package, contingent on notification to proceed to bid from the State Department of Finance.
- June 5, 2014: Receive construction bids. Delays in receiving State notification to proceed to bid may affect the date bids are due. Because of this uncertainty in the precise date, staff is requesting the Board authorize the General Services Agency Director to amend the due date for bids as necessary.
- June - July, 2014 Obtain Board approval for the following:
 - Conditionally award a construction contract to the lowest responsive, responsible bidder.
 - California Department of Fish and Wildlife Streambed Alteration Agreement.
 - Contract for commissioning agent services.
 - Contract for biological and archeology monitoring during construction.
 - Contract for storm water management inspection and monitoring services during construction.
- August, 2014: Receive State agency approvals for the award of the construction contract. The construction contract will take effect upon approval by the State.
- September, 2014: Issue notice to proceed to construction contractor.

Bidding

The action requested of the Board today is to approve the contract documents. The Architect of Record, Ravatt Albrecht and Associates, is responsible for the engineering and design documents for the project. Construction documents have been reviewed and approved by the State Fire Marshal and submitted to Board of State Community Corrections (BSCC), California Department of Corrections and Rehabilitation (CDCR), and Department of Finance (DOF) for review and approval. Upon completion of review and notification to proceed to bid by the State DOF, it is recommended the Board authorize bidding for the construction of the new housing unit, classrooms, staff offices, multipurpose building, and outdoor structures and improvements to support the new expansion.

The project construction bid documents consists of two components. The first is the base bid, and the second component contains the bid alternates.

Base Bid:

1. A new housing unit, classrooms, staff offices, recreational/multipurpose building, connecting canopy structure, and outdoor recreational space and improvements. (Eligible for State funding).

Optional Alternates Bid Items:

1. The Addition of 10 sleeping rooms to the new housing unit. (Not eligible for State funding).
2. The installation of an electronic controlled water management system. (Eligible for State funding).
3. The installation of a water softening system. (Eligible for State funding).
4. The construction of an acoustical ceiling for the recreational facility. (Eligible for State funding).
5. Changing the standard exterior lighting to LED lighting. (Eligible for State funding).
6. The upgrade to install stainless steel door panels for the sleeping rooms. (Eligible for State funding).
7. The installation of roof mounted screens for mechanical equipment. (Eligible for State funding).

The alternates are for additive features which may be considered for inclusion in the award of the construction contract at the discretion of the County. Acceptance of bid results and the alternates will require Board approval. Bids will only be accepted from pre-qualified general contractors per Attachment B.

Included in the staff recommendation is a request for the Board to approve findings pursuant to Public Contract Code Section 3400 related to including specifications for the use of particular materials. This will allow for certain components and materials to be designated by brand names as set forth in Attachment C. The list includes products and systems such as door hardware, building automation, security equipment, and fire alarm systems. These products form a major part of the existing County facility infrastructure and are a significant investment at existing County facilities. Standardization will allow the County to maintain compatibility and maximize staff effectiveness in servicing these systems. Allowing a contractor or vendor to replace the existing systems and implement alternative products could result in greater costs to the County related to ongoing future maintenance and replacement of the systems.

General Services Agency will return to the Board to request conditional award of the construction contract and request a transfer of funding from previously allocated budgets for construction and associated specialty contracts for services during construction and closeout phases.

After bids have been received, any potential shortfall amount will be known. After careful consideration of all alternate bid items and funding sources, the recommendation to accept the bid results and award the construction contract to the lowest responsible, responsive bidder, or reject all bids will be presented when staff returns to the Board in June - July 2014.

OTHER AGENCY INVOLVEMENT/IMPACT

Representatives from Probation, County Administrative Office, General Services Agency, and County Counsel participate in the project steering committee. The Auditor is participating at various stages of the project including the contractor pre-qualification process. The office of the Environmental Coordinator has filed an environmental determination for the project and continues to be consulted on environmental requirements.

Several State agencies are participating in the SB 81 funding approval processes including the Board of State Community Corrections, the California Department of Corrections and Rehabilitation, the Department of Finance, the Pooled Money Investment Board, the State Fire Marshal, and the State Department of Public Works.

County Counsel is providing legal guidance on all aspects of the JHE project and has reviewed the bid documents for form and legal effect.

FINANCIAL CONSIDERATIONS

Anticipated costs and funding for the project have not changed since the last report in March, 2014. The County's share of costs which are ineligible for State funding is estimated at \$4,075,495, of which, \$3,900,000 has been previously approved for the project: \$3,125,000 and \$375,000 in General Government Building Replacement Reserves – Juvenile Hall Bldg. Designation, and an additional \$400,000 from Fiscal Year 2012-13 fund balance savings in the General Fund.

As previously discussed in March 2014, it is estimated that an additional \$175,495 in County funding may be needed for project costs above the SB 81 funding. Table #1 outlines the project costs over time.

Table #1

Year	2008-2012	2013	2014
Total Project Cost	\$ 17,494,644	\$ 18,553,283	\$ 18,572,778
In-kind match	\$ 1,248,661	\$ 1,376,300	\$ 1,376,300
State SB 81 funding	\$ 13,120,983	\$ 13,120,983	\$ 13,120,983
County funding	\$ 3,125,000	\$ 4,056,000	\$ 4,075,495
Difference in County funding from previous update		\$ 931,000	\$ 19,495
Funding authorized to mitigate cost increases Bldg Replacement Reserve - Juvenile Hall Bldg Designation Fund Balance - Facilities Planning Designation	N/A	\$ (375,000) \$ (400,000)	N/A at this time
Estimated Shortfall		\$ 156,000	\$ 156,000 \$ 19,495 \$ 175,495

The project budget remained unchanged between 2008 and 2012. The original 2008 construction estimate was used to determine the initial funding levels and contains a design and escalation contingency factor for three years. However, the project was placed on hold for approximately one year due to the State's financial uncertainties.

Cost increases between 2013 and 2014 are a result of estimated construction cost increases to incorporate State Fire Marshal requirements, added costs for escalation over the past year, increases in State fees for review of documents, increased staff time for coordination with State agencies, and additional reviews of design and construction documents.

Staff will know the extent of the funding required for the JHE project after bid openings. Actual construction bids may vary up to 10% of the engineer's estimate, which is an accepted industry standard. Staff will carefully consider the total costs, the portion of SB 81 funding, the County's share of costs, available funding resources, and other areas for cost savings prior to returning to the Board for a recommendation to accept all bids and award to the lowest responsible, responsive bidder, or to reject all bids.

Cost Controls Measures

To compensate for the increases, the design was value engineered at estimating intervals to reduce the costs without compromising the project's scope and service levels.

In February 2014, staff and the design team reduced costs by \$197,180 through value engineering. The result modified elements without cutting scope which would impact SB 81 funding. Changes include interior and exterior wall finishes, substitution of various materials, eliminating the handball courts in one of the recreational yards, deleting the public announcement system in the gymnasium, and removing the screening for the roof mounted equipment. Further cuts and modifications would result in change of project scope or significant redesign and engineering.

Other design features that were desirable, but not part of the original application were incorporated as bid alternates rather than increasing the project scope and base cost. Seven bid alternates estimated at \$990,030 are part of the bid documents presented to the Board today. Bid alternates will be considered as funding allows.

The estimated revised annual operating costs for the additional staff and expenses for the expanded Juvenile Hall was presented to the Board on April 23, 2013. The estimated annual cost for the first year was approximately \$768,130. The costs are anticipated to be offset by \$660,144 from savings by providing youth treatment programs within Juvenile

Services. This potentially reduces the fiscal impact to \$107,986 per year.

A final cost for contract award and options for funding will be provided to the Board after construction bids are received.

RESULTS

The JHE project will expand the housing capacity and treatment capabilities at the juvenile facility. It will also provide improved staff support offices, counseling rooms, a year round recreational building, and separate classroom space. The expanded facility will enable the County to provide programs and services to a growing community with significant capital cost offset from State bond funding.

ATTACHMENTS

1. Vicinity Map
2. Attachment A - Chronology of Board Actions
3. Attachment B – Pre-qualification Process and Results
4. Attachment C – Specific Brand Name and/or Trade Names
5. Juvenile Hall Expansion Plans and Specifications (Clerk's File)